

# FISCAL NOTE

**Bill #:** SB0434

**Title:** Revise guaranteed annual benefit adjustment law for law enforcement

**Primary Sponsor:** Mignon Waterman

**Status:** As introduced

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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## Fiscal Summary

	<b><u>FY2000 Difference</u></b>	<b><u>FY2001 Difference</u></b>
<b>Expenditures:</b>	\$0	\$0
<b>Revenue:</b>		
Other (Mun. Police Officers' Trust Fund)	(\$407,732)	(\$435,458)
<b>Net Impact on General Fund Balance:</b>	<b>\$0</b>	<b>\$0</b>

<b><u>Yes</u></b>	<b><u>No</u></b>		<b><u>Yes</u></b>	<b><u>No</u></b>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts

## Fiscal Analysis

### ASSUMPTIONS:

1. The bill reduces contributions that members pay to the Municipal Police Officers' Retirement System (MPORS) by 2% of salary.
2. Total salaries for fiscal years 2000 and 2001 are projected to be \$20,386,596 and \$21,772,884 respectively (2% x \$20,386,596 = \$407,732 and 2% x \$21,772,884 = \$435,458).
3. The reduced contributions will increase the unfunded liability of the MPORS from 17.67 to 19.29 years, or 1.62 years.

FISCAL IMPACT:

	<u>FY2000</u> <u>Difference</u>	<u>FY2001</u> <u>Difference</u>
<u>Expenditures:</u>	\$0	\$0
<u>Revenues:</u>		
Other (Municipal Police Officers' Trust Fund)	(\$407,732)	(\$435,458)
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
Other (Municipal Police Officers' Trust Fund)	(\$407,732)	(\$435,458)

LONG-RANGE IMPACTS:

The reduced contributions will continue beyond the biennium.